

Examiner asserts that all credit cards contain some encoded identification information. The particular information encoded may be determined or limited by the credit card issuer, which includes account and user identification information. The affiliation of the user with a club, merchant or service provider was old and well known in the art at the time the invention was made. This information is determined, typically, by correlating card encoded information with information provided by the credit card user and maintained by the credit card issuer.

Fernandez-Holmann is not sufficient to support a rejection under § 102(e) as Fernandez-Holmann does not disclose all the elements of the present invention. Among other things, Fernandez-Holmann does not disclose the element of claim 1 of a “credit card having encoded information thereon that associates the cardholder with a plurality of clubs, merchants or service providers for which automated charges can be effectuated.” As such, a rejection under § 102(e) in view of Fernandez-Holmann is improper as the reference does not disclose all the elements of the present invention. If the “affiliation of the user with a club, merchant or service provider was old and well known in the art at the time the invention was made,” the examiner is respectfully requested to cite such a reference and demonstrate that said reference properly combines with Fernandez-Holmann to disclose all the elements of claims 1-3. If the rejection is based on facts within the personal knowledge of the examiner, the examiner is respectfully invited to enter an affidavit under 37 C.F.R. § 1.104(d)(2) stating such facts as specifically as possible.

With regard to claims 1-3, the Office Action further states:

All credit cards have encoded information that associates the credit card user with an account maintained by the credit card issuer. When the credit card encoded information is used in a transaction, account information is checked and verified by the credit card issuer or their representatives. At col. 2 lines 22-44, Fernandez-Holmann discloses providing an investment account with a credit card holder, providing an investment account with a financial institution for the benefit of the credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder. Credit card accounts are financial accounts at financial institutions and provide the same result for an investment account as for club, merchant or service-provider accounts, that is, making payments (or deposits) into accounts for the benefit of the credit card user, be it an investment account or an account of a club, merchant or service provider. Money is paid by the credit card user (or by the credit card issuer in the credit card user's name from funds advanced by the credit card issuer to the credit card user) to an account other than the credit card account.

With regard to claims 1-3, the Office Action further states:

Examiner notes that the method disclosed by Fernandez-Holmann, a single investment account is funded from a credit based account, is equally usable for funding multiple accounts. Official Notice is taken that it was old and well known in the art at the time the invention was made that credit card issuers maintain databases of customer (credit card user) records. Such databases are usually essential and inherent in any process that requires the storage, correlation and processing of large amounts of data. Without such databases, credit card issuers and/or financial institutions could not conduct business in a timely and efficient manner, as they presently do. Additionally, Fernandez-Holmann discloses the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding or rebate-based funding of the investment account (col. 1 lines 6-11). There is no limitation in Fernandez-Holmann constraining the invention to one investment per credit card user. And credit card issuers regularly transfer payments to multiple organizations in a credit card user's name. Also, credit accounts and investment accounts have the same functionality with respect to periodic payments which may be made to the accounts. Money is paid and the credit card user's account is charged or debited.

Fernandez-Holmann discloses a single investment account that is funded from a credit based account. Fernandez-Holmann does not disclose contributions made by one cardholder to multiple investment accounts. Further, as discussed above, the investment account of Fernandez-Holmann is not a club, merchant or service provider of the present invention. The credit instrument of the present invention comprises a "credit card . . . that associates the cardholder with a plurality of clubs, merchants or service providers." (Claim 1, line 6). Thus, Fernandez-Holmann does not disclose all the elements of claims 1-3 and a rejection under § 102(e) is improper.

With regard to claims 1-3, the Office Action further states:

Fernandez-Holmann states that the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding (col. 1 lines 6-11). Whether the automatic payments are made to a credit-based account or to an investment account is immaterial as pertains to the payment processing. The credit card issuer makes automatic disbursements of funds in the name of the credit card user.

Fernandez-Holmann does not teach or disclose a method to "automatically charge fees" or by "which automated charges can be effectuated," as claimed by the present invention. (Claim

The connection with a credit based account, as disclosed by Fernandez-Holmann, is distinguished from the credit instrument of the present invention which comprises a “credit having encoded information thereon.” (Claim 1, line 5). In contrast, the method disclosed by Fernandez-Holmann does not utilize, as claimed in the present invention, a “credit card having encoded information thereon that associates the cardholder with a plurality of clubs, merchants or service providers.” (Claim 1, lines 5-6).

Fernandez-Holmann states that the “system of the present invention is intended primarily to assist credit card holders in accumulating savings for retirement purposes.” (Col. 6, lines 26-28). As such, the investment accounts disclosed by Fernandez-Holmann differ from the “clubs, merchants or service providers” of the present invention. As defined by Fernandez-Holmann, an investment account is a “long-term investment account suitable for retirement purposes, such as an Individual retirement Account (IRA), 401(k) plan or the like.” (Col. 4, lines 47-49). Thus, the monthly “contributions” disclosed by Fernandez-Holmann to an investment account are a monetary transfer from the cardholder to the cardholder. In contrast, the present invention is for an “automated payment of dues and fees [to a] club, merchant or service provider.” (Page 1, line 12).

As an example, Fernandez-Holmann discloses a method by which one makes a contributions to one’s investment account. One is unlikely to be required to make a contribution to one’s self as one is not obligated to save money or make contributions to an investment account. In contrast, the “automated payment of dues and fees” of the present invention may involve “clubs, merchants or service providers [which] may require fixed payments on a periodic basis In the case of a club, such as a health club, a consumer may be required to send dues each month.” (Page 1, lines 23-25).

1, lines 1 and 6-7). Rather, Fernandez-Holmann discloses a “credit card retirement rebate system” (Col. 4, line 9) which “establishes an investment fund for the benefit of the credit card holder, into which payments will be made by the credit card issuer in the form of monthly credit-based contributions and/or rebates.” (Col. 4, lines 4-7). Fernandez-Holmann distinguishes the “monthly credit-based contributions and/or rebates” from the “automated charges” of the present invention in stating that the “credit card holder may purchase goods and services with the credit card at merchants which subscribe to the credit card issuer’s credit system.” (Col. 3, lines 65-67). The present invention comprises automated payment or purchase of the goods and services from which Fernandez-Holmann distinguishes his invention and from which he teaches away.

Thus, the invention claimed in claims 1-3 distinguishes over Fernandez-Holmann, for at least the foregoing reasons.

The Office Action rejected claims 21-23 under 35 U.S.C. § 102(e) as being anticipated by Kolling.

As basis for the rejection, the Office Action states:

At col. 11 lines 18-26, Kolling et al. discloses to authorize a remittance, the consumer transmits to its bank (a participating bank), or an agent of its bank or any other party connected to the network, a transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to make the payment, (4) consumer C’s account number with biller B (C-B account #), and (5) biller B’s BRN. One or more of these elements might be represented by a pointer to relatively static information stored at Bank C. For example, if consumer C always uses one of a few accounts as the source of funds, consumer C could submit a pointer indicating which account. Pointers are also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C. Examiner interprets this to encompass the capability to generate automatic charges and payments based on stored account parameters (i.e., expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C) for processing the payments automatically. Therefore, Kolling et al. encompasses and discloses the claimed invention.

The present invention does not require the consumer or biller to initiate a payment transaction. As claimed in claim 21, the method of the present invention is one in which “clubs,

merchants or service-providers [are] to be paid automatically.” (Claim 21, line 4). In contrast, every embodiment and teaching disclosed by Kolling requires the consumer or the biller to initiate a payment transaction. Kolling does not disclose or teach “look up tables” or “the capability to generate automatic charges and payments based on stored account parameters . . . for processing the payments automatically.” As such, Kolling does not disclose all the elements of claims 21-23 and a rejection under § 102(e) is improper.

With regard to claims 21-23, the Office Action further states:

Examiner asserts that Kolling et al. discloses this step. At col. 11 lines 18-26, Kolling et al. discloses to authorize a remittance, the consumer transmits to its bank (a participating bank), or an agent of its bank or any other party connected to the network, a transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to make the payment, (4) consumer C’s account number with biller B (C-B account #), and (5) biller B’s BRN. One or more of these elements might be represented by a pointer to relatively static information stored at Bank C. For example, if consumer C always uses one of a few accounts as the source of funds, consumer C could submit a pointer indicating which account. Pointers are also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C. Therefore, Kolling et al. encompasses and discloses the claimed invention.

The present invention claims “periodically searching a database to identify a plurality of cardholders who are to be charged a fee or due.” (Claim 21, lines 6-7). Subsequently, “a batch of transaction requests [are submitted] . . . to a transaction processor.” (Claim 21, lines 8-10). In contrast, Kolling does not disclose or teach payment or authorization for the payment of regular or cyclical dues or fees. Kolling does not disclose or teach “look up tables” nor does Kolling disclose “elements [which] might be represented by a pointer to relatively static information stored at Bank C.” As such, Kolling does not disclose all the elements of claims 21-23 and a rejection under § 102(e) is improper. Thus, the invention claimed in claims 21-23 distinguishes over Kolling, for at least the foregoing reasons.

The Office Action rejected claim 4 under 35 U.S.C. § 103(a) as being unpatentable over Fernandez-Holmann.

As basis for the rejection, the Office Action states:

All credit cards have encoded information that associates the credit card user with an account maintained by the credit card issuer. When the credit card encoded information is used in a transaction, account information is checked and verified by the credit card issuer or their representatives. At col. 2 lines 22-44, Fernandez-Holmann discloses providing an investment account with a credit card holder, providing an investment account with a financial institution for the benefit of the credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder. Credit card accounts are financial accounts at financial institutions and provide the same result as an investment account, that is, making payments (or deposits) into accounts for the benefit of the credit card user, be it an investment account or an account of a club, merchant or service provider. Money is paid by the credit card user (or by the credit card issuer in the credit card user's name from funds advanced by the credit card issuer to the credit card user) to an account other than the credit card account.

As discussed above in reference to claim 1, upon which claim 4 is dependent, the present invention claims a credit card that “associates the cardholder with a plurality of clubs, merchants or service providers.” (Claim 1, lines 5-6). In contrast, the method taught by Fernandez-Holmann comprises an “investment account with a financial institution.” (Col. 2, line 29). Irregardless of whether an admission pass was known in the art at the time of the invention, Fernandez-Holmann does not disclose or teach all the elements of claim 1 or claim 4. Fernandez-Holmann does not teach a credit instrument like the claimed invention, including a credit card with “encoded information thereupon that associates the cardholder with a plurality of clubs, merchants or service providers.” (Claim 1, lines 6-8).

The Office Action rejected claims 5-12 and 17-20 under U.S.C. § 103(a) as being unpatentable over Fernandez-Holmann in view of Reeder and Kolling.

As basis for the rejection, the Office Action states:

Official Notice is taken that a database was old and well known in the art at the time the invention was made, and is an inherent component in the systems described for the credit card issuers and financial institutions. Transactions on the scale that credit card issuers transact (for example)

require databases for correlating credit card users' accounts, financial institutions transaction, and business transactions to accurately and expeditiously apply charges and pay transactions. Additionally, Fernandez-Holmann states that the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding (col. 1 lines 6-11). Whether the automatic payments are made to a credit-based account or to an investment account is immaterial as pertains to the payment processing. The credit card issuer makes automatic disbursements of funds in the name of the credit card user.

Independent claim 5 claims "a database containing information of a plurality of cardholders including information describing charges to be processed automatically for a club, merchant or service-provider." (Claim 5, lines 10-12). Independent claim 17 claims a "database [including] information of a plurality of clubs, merchants or service-providers agreeing to auto-charging of dues or fees." (Claim 17, lines 6-8). Irregardless of whether the "credit card issuer makes automatic disbursements of funds in the name of the credit card user," the disbursements are to an "investment account" rather than to a "club, merchant or service provider." Thus, Fernandez-Holmann, Reeder, Kolling, or any combination of these references, does not teach a system or method like the claimed invention.

With regard to claim 13, the Office Action further states:

Examiner agrees that Reeder does not specifically disclose or teach that the server adapted to interface with user systems is for receiving applications, as claimed in claim 13, for credit cards. However, Official Notice is taken that it was old and well known that credit card applications may be submitted over networks, through the mail or at financial establishments. Fernandez-Holmann discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder (col. 2 lines 27-29). Official Notice is taken that a database was old and well known in the art at the time the invention was made. Databases have been used for many applications that require the storage and accessing of significant amounts of data, including financial transaction accounts. A database has become an inherent component of the financial transaction systems that have come to exist. It would have been obvious to one skilled in the art at the time the invention was made to interpret Fernandez-Holmann as a system that incorporates a database storing and accessing user/customer/business data, because such access is necessary to adequately conduct business. Additionally, Official Notice is taken that database servers were old and well known at the time the invention was made. Additional, Official Notice is taken that network or application servers were old and well known in the art at the time the invention was made, and that to accomplish communications over a network, one or more servers must be encompassed in the system. It was typical for an organization (e.g., network administrator, database administrator or business organization) to incorporate a server into its system configuration to provide its required functionality (e.g., network) for conducting business.

Financial institutions, credit card issuers and businesses typically maintain servers for the conduct of their businesses over networks and provide the necessary communications access for customers and businesses communicate with each other.

Reeder does not disclose or teach that the user terminal is for submitting applications, as claimed in claim 13. Rather, the user terminal disclosed and taught by Reeder is for making “a POS payment either by authorizing direct debit from [a] debit card account or bank account or by authorizing a charge to [a] credit card account.” (Col. 2, lines 12-14). If “it was old and well known that credit card applications may be submitted over networks, through the mail or at financial establishments,” the examiner is respectfully requested to cite where Reeder, or another reference, teaches such a combination, with Fernandez-Holmann or any other reference, to disclose all the elements of the present invention as claimed in claim 13. If the rejection is based on facts within the personal knowledge of the examiner, the examiner is respectfully invited to enter an affidavit under 37 C.F.R. § 1.04(d)(2) stating such facts as specifically as possible. Without such a teaching, the combination of Reeder with Fernandez-Holmann, or any other reference, is improper and the invention claimed in claim 13 therefore distinguishes over Reeder, for at least the foregoing reasons.

With regard to claims 5 and 17, the Office Action states:

Claims 5 and 17 were rejected with a combination of references and the obvious combination of their disclosures (i.e., Fernandez-Holmann, Kolling, Reeder). Fernandez-Holmann discloses the present invention relates to the funding of investment accounts such as long term investment accounts which may be suitable for use in retirement or pension plans, and in particular to a credit card based funding system which uses automatic credit-based funding or rebate-based funding of the investment account (col. 1 lines 6-11). Fernandez-Holmann discloses (col. 2 lines 27-38), establishing a credit based account with a credit card issuer for the benefit of a credit card holder, providing an investment account with a financial institution for the benefit of a credit card holder, funding the investment account by the credit card issuer with a predetermined amount of money on a periodic basis, and charging an amount of money so funded against the credit based account of the credit card holder. These features provide the functionality of the applicant’s invention. Additionally, Reeder discloses building a batch process to process transactions (col. 37 lines 9-17). It would have been obvious to one skilled in the art at the time the invention was made to combine Fernandez-Holmann, Kolling and Reeder to disclose batch processing of auto-charge transactions and a dues processor system for processing batch files of auto-charges, because this

would have been an obvious extension of Fernandez-Holmann and Reeder already inherent in some aspects in both references.

As previously discussed, Kolling does not disclose or teach the auto-charge transactions claimed by the present invention. Each of the embodiments disclosed or taught by Kolling require either the consumer or the biller to initiate the transaction. This disclosure by Kolling teaches away from the auto-charge transactions of claims 5 and 17. Further, as previously discussed, Fernandez-Holmann does not teach or disclose the “club, merchant or service provider” of the present invention. Rather, the “investment account” disclosed by Fernandez-Holmann teaches away and is distinguished from the “club, merchant or service provider” of claims 5 and 17. For at least the foregoing reasons, the invention claimed in claims 5-12 and 17-20 is not taught by Fernandez-Holmann, Reeder, or Kolling, either by themselves or in combination.

The Office Action rejected claims 13-15 under 35 U.S.C. § 103(a) as being unpatentable over Fernandez-Holmann in view of Reeder.

As basis for the rejection, the Office Action states:

Examiner agrees that Reeder does not specifically disclose or teach that the user terminal is for submitting applications, as claimed in claim 13, for credit cards. Fernandez-Holmann discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder (col. 2 lines 27-29). This encompasses the step that credit card applications may be submitted over networks, through the mail or at financial establishments. Additionally, Official Notice is taken that network or application servers were old and well known in the art at the time the invention was made, and that to accomplish communications over a network, one or more servers must be encompassed in the system. Additionally, Official Notice is taken that database servers were old and well known at the time the invention was made. It was typical for an organization (e.g., network administrator, database administrator or business organization) to incorporate a server into its system configuration to provide its required functionality (e.g., network) for conducting business. Financial institution, credit card issuers, and businesses typically maintain servers as inherent components of their business methods and systems for the conduct of their businesses over networks and provide the necessary communications access for customers and businesses communicate with each other. The same could and would be expected for the inventions of Fernandez-Holmann and Reeder.

As previously discussed, Reeder does not disclose or teach that the user terminal is for submitting applications, as claimed in claim 13 or in claims 14-15 which are dependent from claim 13. Examiner is respectfully requested to cite where Reeder, or another reference, teaches a combination, with Fernandez-Holmann or any other reference, which discloses all the elements of the present invention as claimed in claims 13-15. Further, as previously discussed, Fernandez-Holmann does not teach or disclose the “club, merchant or service provider” of the present invention. Without such a teaching, the combination of Reeder with Fernandez-Holmann, or any other reference, is improper and fails to disclose all the elements of claims 13-15. The invention claimed in claims 13-15 therefore distinguishes over Reeder, Fernandez-Holmann, or any combination thereof, for at least the foregoing reasons.

The Office Action rejected claim 16 under 35 U.S.C. § 103(a) as being unpatentable over Reeder in view of Fernandez-Holmann.

As basis for the rejection, the Office Action states:

Fernandez-Holmann discloses the method comprises the steps of establishing a credit based account with a credit card issuer for the benefit of a credit card holder (col. 2 lines 27-29). Additionally, Official Notice is taken that network or application servers were old and well known in the art at the time the invention was made, and that to accomplish communications over a network, one or more servers must be encompassed as inherent components in the system. Additionally, Official Notice is taken that database servers were old and well known at the time the invention was made, and that to accomplish business transactions over a network, one or more servers were usually encompassed as inherent components in the system. It was typical for an organization (e.g., network administrator, database administrator or business organization) to incorporate a server into its system configuration to provide its required functionality (e.g., network) for conducting business. Financial institutions, credit card issuers, and businesses typically maintain servers as inherent components of their business methods and systems for the conduct of their businesses over networks and provide the necessary communications access for customers and businesses communicate with each other. The same would be expected for the inventions of Fernandez-Holmann and Reeder.

As previously discussed, Reeder does not disclose or teach that the user terminal is for submitting applications, as claimed in claim 16. Examiner is respectfully requested to cite where Reeder, or another reference, teaches a combination, with Fernandez-Holmann or any other

reference, which discloses all the elements of the present invention as claimed in claim 16.

Further, as previously discussed, Fernandez-Holmann does not teach or disclose the “club, merchant or service provider” of the present invention. Without such a teaching, the combination of Reeder with Fernandez-Holmann, or any other reference, is improper and fails to disclose all the elements of claim 16. The invention claimed in claim 16 therefore distinguishes over Reeder, Fernandez-Holmann, or any combination thereof, for at least the foregoing reasons.

The Office Action rejected claims 24 and 25 under 35 U.S.C. § 103(a) as being unpatentable over Kolling.

As basis for the rejection, the Office Action states:

Credit card issuers regularly search their databases for credit card user accounts to identify a plurality of cardholders who are to be issued periodic statements and be charged a fee or due; this is typical of a monthly statement to the credit card user and is an inherent component of a credit card issuer database and system. Therefore, these features must be an inherent component of a the credit card issuer's system and method. Additionally, examiner asserts that Kolling et al. discloses the step of automatically transferring funds. At col. 11 lines 18-26, Kolling et al. discloses to authorize a remittance, the consumer transmits to its bank (a participating bank), or an agent of its bank or any other party connected to the network, a transaction indicating (1) an amount to pay, (2) the source of the funds, (3) a date on which to make the payment, (4) consumer C's account number with biller B (C-B account #), and (5) biller B's BRN. One or more of these elements might be represented by a pointer to relatively static information stored at Bank C. For example, if consumer C always uses one of a few accounts as the source of funds, consumer C could submit a pointer indicating which account. Pointers are also a useful way of specifying BRNs and C-B account numbers for frequently paid billers. An expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C. Examiner interprets this to encompass the capability to generate automatic charges and payments based on stored account parameters (i.e., expansion of pointers to the pointed-to data can be done by Bank C maintaining look up tables for consumer C) for processing the payments automatically. Therefore, Kolling et al. encompasses and discloses the claimed invention.

As previously discussed, Kolling does not disclose or teach payment or authorization for the payment of regular or cyclical dues or fees. Kolling does not disclose or teach “look up tables” nor does Kolling teach or disclose a “capability to generate automatic charges and payments based on stored account parameters . . . for processing the payments automatically.” Without such a teaching, the combination of all the elements of claims 24 and 25 would not have

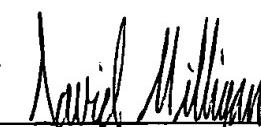
been obvious at the time of invention. Thus, the invention claimed in claims 24 and 25 distinguishes over Kolling, for at least the foregoing reasons.

All pending claims consequently distinguish over the references applied in the Office Action. This application is therefore in condition for allowance, acknowledgment of which the applicants respectfully solicit. Should, however, the Examiner discover any remaining issues before allowance, the Examiner is kindly invited to contact the undersigned by telephone to expedite the resolution of the same.

Respectfully submitted,

HUNTON & WILLIAMS

By:



David H. Milligan
Registration No. 42,893

1900 K Street, N.W., Suite 1200
Washington, D.C. 20006-1109
(202) 955-1500 (Telephone)
(202) 778-2201 (Facsimile)

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